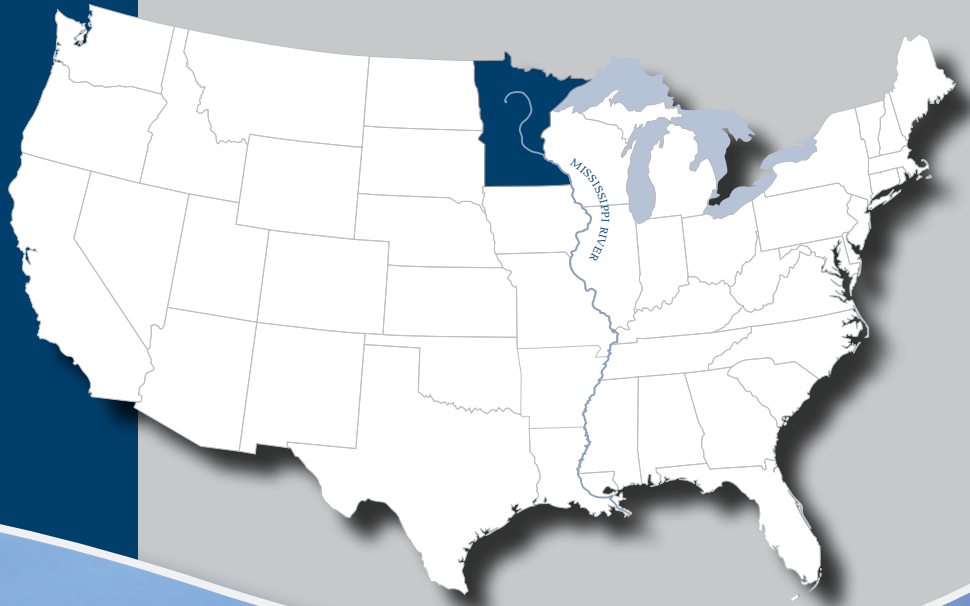


Minnesota

When you consider everything it takes to succeed and grow in the diverse and dynamic North American marketplace, few locations can match Minnesota.



Land Area: 206,189 square kilometers | **Population:** 5.5 million | **Labor Force:** 2.9 million

Gross State Product: \$317 billion — 17th in the U.S.

Per Capita Gross State Product: \$52,970 — 14th in the U.S.

Annual Exports: \$33 billion to 203 countries

Foreign Direct Investment in Minnesota



Prominent Companies



- Minnesota is home to the world-wide or North American headquarters for dozens of the world's largest companies.
- Several Minnesota companies make the Forbes list of largest privately-held companies, including Cargill, one of the world's largest multinationals with operations in 67 countries.

Many Minnesota-Based Companies are Recognized Worldwide.



Foreign Investment in Minnesota

Leading foreign companies recognize that the state's unique competitive advantages make it a great investment.

- 733 foreign-owned companies in Minnesota employ about 106,700 people.
- About 15 percent of all foreign-owned companies operating in the United States are located in Minnesota.
- Over the past two years, foreign-owned companies have invested \$2 billion in 39 projects in Minnesota and created 4,952 jobs.



Minnesota's Major Industries



Large Metropolitan Statistical Areas* with the Highest Location Quotients in Medical Devices and Equipment, 2012

Metro Area	Location Quotient	2012 Employment
Minneapolis-St. Paul, MN	5.49	25,777
Salt Lake City, UT	4.39	7,171
San Jose, CA	3.71	9,658
Worcester, MA	2.67	2,226
Madison, WI	2.53	2,051
Boston, MA	2.35	15,520
Indianapolis, IN	2.22	5,220
San Diego, CA	1.98	6,562
Los Angeles, CA	1.83	27,025

Source: Battell/BIO State Bioscience Jobs, Investments and Innovation 2014

*(Total Private Employment Greater than 250,000)

Manufacturing

- Minnesota's manufacturing sector is the backbone of the state's economy.
- Manufactured exports were more than \$20 billion in 2015.

The state is especially strong in high-tech manufacturing, including computers and electronics, medical devices, and vehicles. Food processing is a manufacturing mainstay and many of Minnesota's most recognized brands are on grocery shelves in the Americas, Asia-Pacific, China and Europe.

Biosciences

Minnesota is an international leader in biosciences and consistently ranks among the top U.S. states in key life-science indicators.

- **Medical Technology:** The state's reputation as a medical device and technology pioneer dates back 75 years and is recognized around the globe. Several of the nation's most innovative medical device companies have a headquarters or significant presence here, including **Medtronic**, **Starkey Laboratories, Inc.**, **Boston Scientific**, **St. Jude Medical** and **3M Healthcare**.

Other Key Bioscience Sectors: include pharmaceutical and biologics, human health microbiology, medical genomics, proteomics, stem cell research, bioinformatics, and animal science research. Biomaterials companies also produce everything from clothing and textiles to bottles, films and packaging from renewable polymers.



Minnesota's Major Industries

Clean Tech and Renewable Energy

Ranked in the top five states for clean technology and renewable energy, Minnesota has thriving industry clusters in green chemistry and biomaterials, green building technologies, wind and solar power, biofuel, and water filtration and conservation.

Water Technology

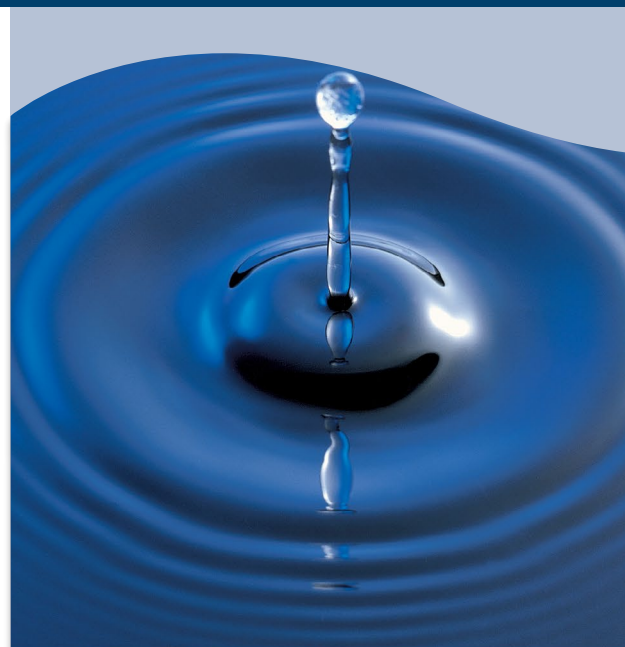
- Many of the world's largest water and wastewater treatment companies have headquarters in Minnesota, including Pentair, 3M, and Ecolab.
- With about \$883 million in foreign sales, Minnesota is among the top 18 exporters of water and wastewater treatment technology in the United States.

Wind Power

- With about 3,235 megawatts of installed wind capacity, Minnesota ranks 7th in the United States.

Solar Power

- Aggressive government policies favoring renewable energy coupled with commercial interest from multinational giants like 3M and scores of smaller companies are driving steady growth in solar power.
- Minnesota has more annual average hours of sunlight than Germany, the world's top photovoltaic market.



Minnesota's Major Assets

Comparison of Airport Departure and Arrival Time Percentages

Departure Airport	2015 % On Time
Portland, OR (PDX)	83.88
Seattle, WA (SEA)	83.23
Minneapolis/St. Paul, MN (MSP)	82.75
Houston, TX (IAH)	79.33
Washington, DC (DCA)	78.97
Los Angeles, CA (LAX)	77.23

Arrival Airport	2015 % On Time
Salt Lake City, UT (SLC)	87.30
Portland, OR (PDX)	86.63
Minneapolis/St. Paul, MN (MSP)	84.76
Seattle, WA (SEA)	84.45
Detroit, MI (DTW)	82.62
Charlotte, NC (CLT)	82.31
Atlanta, GA (ATL)	82.11
Chicago, IL (MDW)	74.48



One-day trucking limit

Logistics and Infrastructure

Minnesota ranks 2nd in the nation for the quality of our transportation infrastructure.

Airports

- The Minneapolis-St. Paul International Airport serves 137 nonstop destinations — including 113 domestic and 24 international markets — and more than 33 million passengers each year.
- MSP International is recognized as the most reliable airport in the United States for on-time departures and arrivals in the Midwest, Northeast, and Southeast regions of the nation.

Railroads

- Twenty railroad companies operate 4,444 route miles of track throughout Minnesota.



Ports and Waterways

- The state has four ports on Lake Superior, including the Port of Duluth, a multi-modal container facility servicing ocean-going ships, including ships sailing to and from Europe and South America.
- The Mississippi River system has five ports and stretches more than 222 miles, providing access to the Gulf of Mexico.

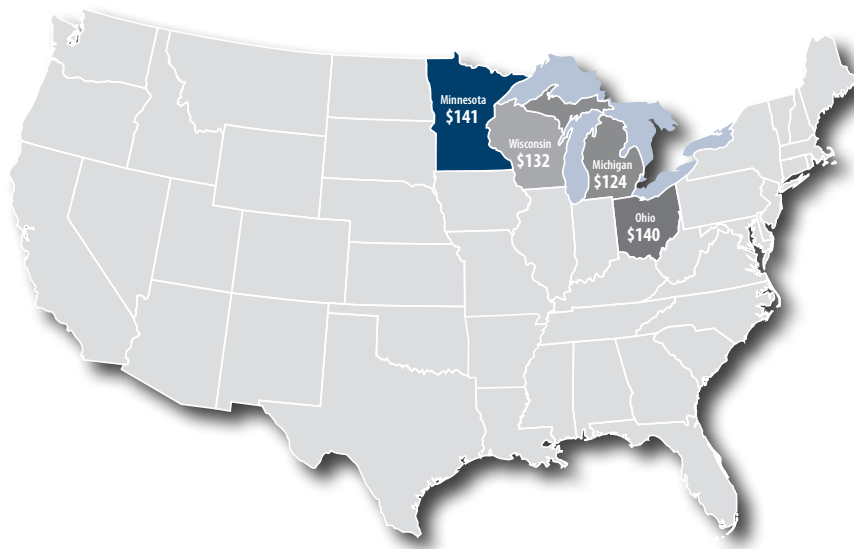
Roads

- Minnesota has the fifth-largest highway system in the United States.

Workforce

- Minnesota's most important asset — and its key competitive advantage for companies of all kinds — is a workforce known for high skill, high productivity, high motivation and low absenteeism.

Manufacturing Worker Hourly Productivity, Midwest States, 2013



- Minnesota's labor-force participation rate (69.8 percent) is the fourth highest in the nation. It exceeds the U.S. rate of 62.9 percent, and is higher than rates in New Zealand, Canada, Australia, Sweden and the Netherlands.

Labor Force Participation Rate Comparison

Minnesota	71.2%
New Zealand	68.4%
Wisconsin	68.8%
Canada	65.9%
Australia	64.9%
Netherlands	64.4%
Sweden	65.3%
U.S.	63.0%

- Minneapolis-St. Paul has a private union rate of 7.8 percent.

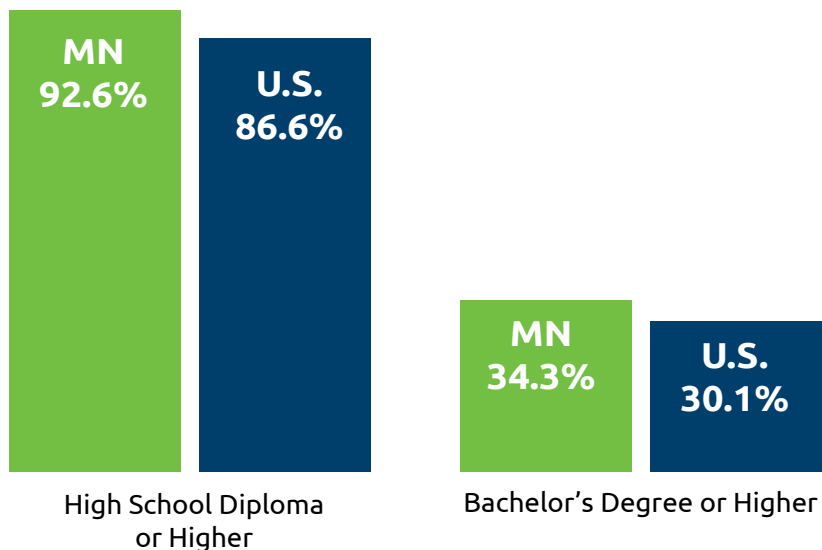


Minnesota's Major Assets

Education

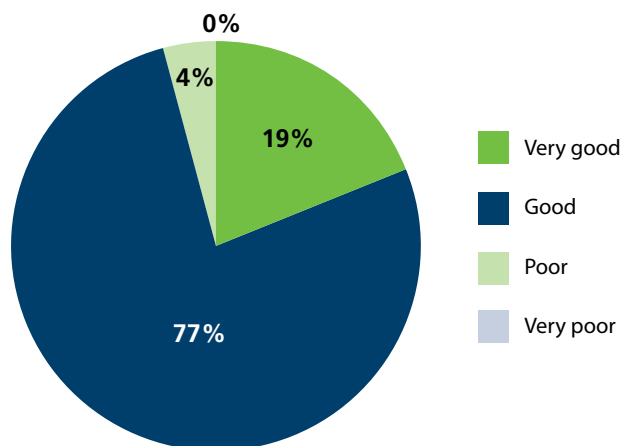
- Of course, a high-quality workforce can only come from an equally high-quality educational system.

Percentage of Population with High School Diploma or Higher and Bachelor's Degree or Higher, 2014



- The state has more than 200 public and private universities, colleges and technical schools that enroll about 385,000 students annually.
- The University of Minnesota ranks 15th in the nation for research and development expenditures (\$877 million) across all fields.

Employment Preparation of Minnesota Graduates



Note: The "very poor" rating had a zero percent response.
Source: Minnesota Office of Higher Education.



Taxes and Incentives

- Minnesota exempts capital equipment used in the manufacturing process from the sales tax. There are also several other major exemptions for businesses, including fees for equipment installation and repair; utilities, chemicals and gases used for industrial production; and most services.
- Minnesota exempts personal property like machinery and inventory from the property tax, resulting in a lower effective tax rate for real and personal property. As a result, businesses whose equipment and inventory values are high relative to their real estate value pay a lower effective tax rate than in states that impose such taxes.
- Minnesota's single sales apportionment formula greatly reduces corporate income tax liability for companies doing business in the state, especially for manufacturers.



Incentive Program Highlights

Incentives Applicable	Incentive Highlights/Description	Potential Total \$
Minnesota Investment Fund	Form: Low Interest/Forgivable Loan Use of Loan Proceeds: Land, Buildings, Equipment, and infrastructure Conditions: 50 percent or more of total project costs must be privately financed	\$500,000
Minnesota Job Creation Fund	Form: <ul style="list-style-type: none">• Tax Rebate• Monetary Award Conditions: <ul style="list-style-type: none">• \$500,000 investment in real property improvements within one year• 10 new full-time, permanent jobs within two years• Obtain resolution from local government supporting company location	Up to \$2 million, depending on project scope
Minnesota Job Skills Partnership	Form: Grant Conditions: <ul style="list-style-type: none">• Match from company (may be in-kind)• Private or public educational institution must be accredited	\$400,000

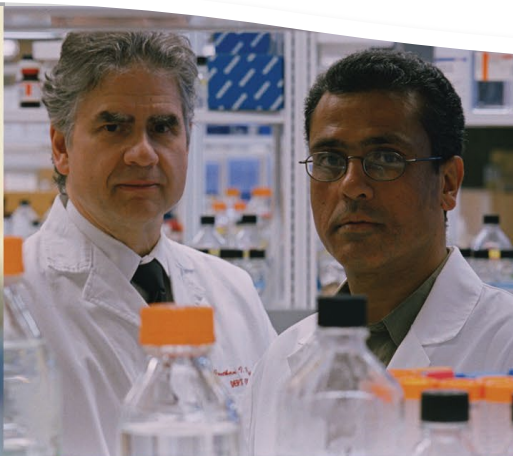
Note: Each of these programs has additional eligibility and project requirements.

World-Class Supply Chain



Supply Chain — Made in Minnesota

- A key logistical advantage to a Minnesota location is the ability to source raw materials, components and finished products from a tremendous wealth of suppliers within the state.
- Our Made in Minnesota manufacturers supply chain database makes it easy for Minnesota companies to find — and be found by — homegrown suppliers. Aerospace. Agricultural equipment. Machinery. Computers and electronics. Medical devices. Processed food. No matter the industry, you're certain to find suppliers that are the perfect fit.
- Try the Made in Minnesota online database at mn.gov/deed/madeinmn



Successful Collaboration

At Your Service

Opening doors. Making connections. Finding resources. Solving problems. We're *always* there when you need us.

It starts with expert assistance, devotion to customer service, and responsiveness to your company's specific needs.

All the Answers — Our Business First Stop Assistance Team streamlines the development process for complex startups, expansions or relocations that involve financing, licensing, permitting and regulatory issues that overlap multiple agencies of state government.

Personalized Service — Our expert consultants lead companies step-by-step through the site location process, working closely with state, regional and local jurisdictions, paving the way toward a smooth and successful launch.

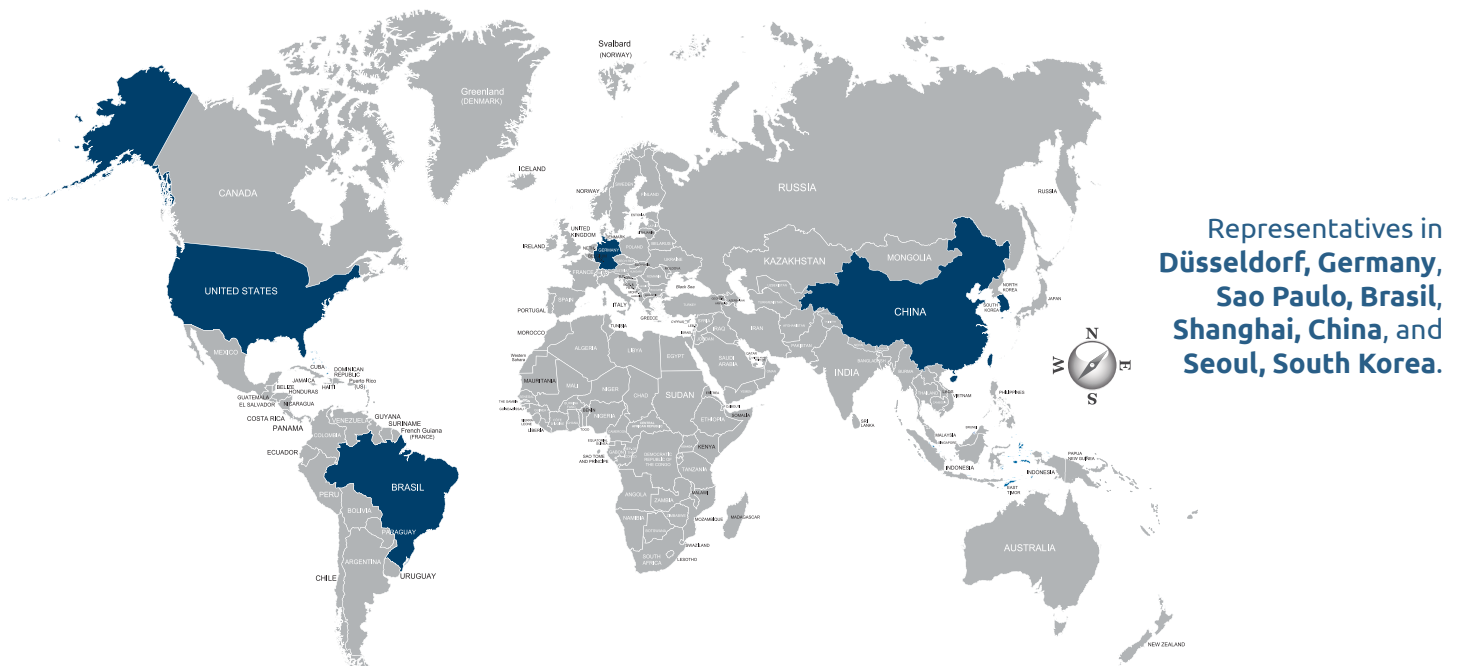
We're Shovel-Ready — Companies working on a tight time frame will find a wide selection of Shovel-Ready Certified Sites. The state works closely with communities to certify that the most time-consuming legal, technical and regulatory aspects of developing commercial and industrial sites are already complete.

Working Together — Minnesota is recognized nationally for its close collaboration with business and industry on workforce training and development, ensuring that companies have a ready supply of highly-skilled workers.

Worldwide Network — With foreign offices in Europe, South America, China and Korea, Minnesota's reputation is fast-growing as a premier North American location. Hundreds of foreign-owned companies from across the globe have invested billions in major operations here because of the unique strategic advantages Minnesota offers.

International Expertise — Once you've expanded operations to Minnesota, the foreign trade experts at the Minnesota Trade Office are ready to assist with all manner of market and industry insights and technical advice, especially in markets you may be targeting from your North American location.

When you invest in Minnesota, we invest heavily in your success — and not just in the beginning. We're with you for the long-term. We're partners. That's our pledge.





mn EMPLOYMENT AND
ECONOMIC DEVELOPMENT

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